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4 UNITED STATES DISTRICT COURT
5 DISTRICT OF NEVADA

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7 DEUTSCHE BANK NATIONAL TRUST
8 COMPANY,

9 Plaintiff(s),

10 v.

11 FIDELITY NATIONAL TITLE
12 INSURANCE COMPANY, et al.,

13 Defendant(s).

Case No. 2:20-CV-2268 JCM (VCF)

ORDER

14 Presently before the court are defendants Fidelity National Title Group, Inc., Chicago
15 Title Insurance Company, and United Title of Nevada, Inc.'s (collectively, "defendants")
16 motion to stay this case. (ECF No. 46).

17 **I. BACKGROUND**

18 This is a yet another breach of contract and insurance bad faith case arising from a
19 denial of Deutsche Bank's title insurance claim. (ECF No. 9 at 2; ECF No. 46 at 3-4).
20 Deutsche Bank is the beneficiary of a deed of trust encumbering real property in a Nevada
21 HOA. (ECF No. 9 at 3). It alleges that "[a]s part of the loan origination, [defendants] United
22 Title Nevada and Chicago Title entered into a contractual relationship with Deutsche Bank's
23 predecessor to insure the Deed of Trust in superior position to competing liens, including the
24 HOA's lien." (*Id.*). The HOA eventually foreclosed on its lien in May 2014 and Deutsche
25 Bank was left to defend against quiet title claims. (*Id.* at 4). There are multiple pending
26 motions: a motion to remand and for attorney's fees and costs (ECF Nos. 9, 10); three
27 pending motions to dismiss (ECF Nos. 32, 33, 34); and a motion to stay the briefing on the
28 motions to dismiss pending resolution of the remand (ECF No. 38).

1 Defendants now move to stay this case until the Ninth Circuit resolves the potentially
2 case-dispositive appeal in *Wells Fargo Bank, N.A. v. Fidelity National Title Ins. Co.*, Ninth
3 Cir. Case No. 19-17332, Case No. 3:19-cv-00241-MMD-WGC (hereinafter the “*Wells Fargo*
4 *II* appeal”). According to defendants, there are about 100 of these virtually identical title
5 insurance cases in this district and the “overwhelming majority” have been stayed via
6 stipulation. (*Id.* at 6–7).

7 **II. LEGAL STANDARD**

8 “[T]he power to stay proceedings is incidental to the power inherent in every court to
9 control the disposition of the causes on its docket with economy of time and effort for itself,
10 for counsel, and for litigants.” *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936). The court
11 can enter stays “pending resolution of independent proceedings which bear upon the case.”
12 *Levy v. Certified Grocers of Cal., Ltd.*, 593 F.2d 857, 863 (9th Cir. 1979). The decision is
13 committed to the “sound discretion of the court. *CMAX, Inc. v. Hall*, 300 F.2d 265, 268 (9th
14 Cir. 1962). In deciding whether to grant a stay, courts consider (1) “ ‘the possible damage
15 which may result’ ” from granting the stay, (2) “ ‘the hardship or inequity which a party may
16 suffer in being required to go forward,’ ” and (3) “the orderly course of justice measured in
17 terms of the simplifying or complicating of issues, proof, and questions of law which could
18 be expected to result from a stay.” *Lockyer v. Mirant Corp.*, 398 F.3d 1098, 1110 (9th Cir.
19 2005) (quoting *Landis*, 299 U.S. at 268).

20 **III. DISCUSSION**

21 The *Lockyer* factors point toward what should be a reasonably brief stay.¹ The only
22 potential damage from a stay is that the parties will have to wait longer for a resolution.
23 *Accord Nationstar Mortg. LLC v. Westcor Land Title Ins. Co.*, No. 2:20-cv-00972-JAD-EJY,
24 2020 WL 7082694, at *2 (D. Nev. Dec. 3, 2020) (“Though [the plaintiff-lender] argues that
25 further passage of time may hinder its ability to obtain discovery in this case, I do not find

26
27 ¹ The court notes that briefing in the *Wells Fargo II* appeal was completed in
28 December 2020 and oral argument is being considered so the stay in this case should be
reasonably short. See *Wells Fargo Bank, N.A. v. Fidelity National Title Ins. Co.*, Ninth Cir.
Case No. 19-17332.

1 this argument persuasive.”). But as defendants point out, this case has not been litigated with
2 any urgency. (ECF No. 46 at 6). Deutsche Bank has asked for two and a half months of
3 extra time to oppose defendants’ motions to dismiss. (*Id.*). Even though this case turns on a
4 title insurance policy issued in July 2003, an HOA foreclosure sale consummated in May
5 2014, and a claim denied in December 2016, Deutsche Bank waited until December 2020 to
6 file this case. (Compl., ECF No. 1-1 ¶¶ 86–99).

7 The significant overlap between this case and the *Wells Fargo II* appeal means that a
8 stay will reduce potential hardship for both sides and promote the orderly course of justice.
9 These cases involve identical form title policies and endorsements and similar legal theories
10 and claims. If the Ninth Circuit agrees with Chief Judge Du that the policy does not give rise
11 to the claims asserted by national lenders like Deutsche Bank, there would be no need for
12 costly discovery here. *See generally Wells Fargo Bank, N.A. v. Fid. Nat’l Ins. Co.*, No. 3:19-
13 cv-00241-MMD-WGC, 2019 WL 5578487 (D. Nev. Oct. 29, 2019). Or as defendants put it:
14 “Because it is obvious that one party or the other will try to argue that the *Wells Fargo II*
15 appellate decision will ultimately control the disposition of this case, there is no good reason
16 to incur fees and costs on discovery and motion practice that will necessarily need to be
17 supplemented after the Ninth Circuit speaks.” (ECF No. 46 at 6). For these reasons, the
18 court orders that this case is stayed pending the *Wells Fargo II* appeal.

19 **IV. CONCLUSION**

20 Accordingly,

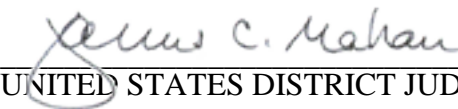
21 IT IS HEREBY ORDERED, ADJUDGED, and DECREED that defendants’ motion
22 to stay this case (ECF No. 46) be, and the same hereby is, GRANTED. This case is
23 STAYED for all purposes pending the issuance of the mandate in the *Wells Fargo II* appeal.

24 IT IS FURTHER ORDERED that all pending motions (ECF Nos. 9, 10, 32, 33, 34,
25 38) are DENIED without prejudice to the parties’ ability to refile them after the stay is lifted.
26 The parties must move to lift the stay, reopen this case, and refile any motions within 30 days
27 of the issuance of the mandate in the *Well Fargo II* appeal.

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The clerk shall ADMINISTRATIVELY CLOSE this case.
DATED June 2, 2021.


UNITED STATES DISTRICT JUDGE